

Governor's Tourism Advisory Board Minutes
Sioux Falls, South Dakota
Washington Pavilion
August 8, 2019, 9 a.m.

Board Members Present

John Brockelsby
Tom Biegler
Ted Hustead
Ann Lesch
Julie Ranum
Val Rausch
Carmen Schramm
Frank Smith
Kristi Wagner

Staff Present

James Hagen
Wanda Goodman
Harla Jessop
Mike Gussiaas
Cole Irwin
Katlyn Richter
Kirk Hulstein
Natasha Bothun
Calvin Bloemendaal
Alexa Dorn

Others Present

Don South, VIA
Gary Keller, Southeast SD
Tourism Association
Rosie Smith, Glacial Lakes and
Prairies Tourism Assoc.
Teri Schmidt, Sioux Falls CVB
Krista Orsack, Sioux Falls CVB
Jackie Wentworth, Sioux Falls
CVB
Kris Frerk, Southeast Board
Member
Ryan Freisz, Southeast Board
Member
Kasi Haberman, Yankton CVB
Erin Weinzettel, L&S
Laura Mitchell, L&S
Alison Kerkvelit, L&S

Vice President Kristi Wagner called the meeting to order and welcomed Val Rausch as new member to the Governor's Tourism Advisory Board. Vice President Wagner thanked Teri Schmidt and her staff for the wonderful tour of their thriving community.

Secretary Jim Hagen introduced Lt. Governor Larry Rhoden and Bailey Carlsen, Deputy Policy Advisor, Office of Governor Noem. Jim thanked them for joining us and asked Lt. Governor Rhoden to address the group.

Lt. Governor Rhoden

- Lt. Governor Rhoden said no doubt the ag economy is presenting a bit of a challenge to tourism this year.
- The Lt. Governor commended Secretary Hagen and his Tourism staff for the great work they are doing.

Teri Schmidt, Sioux Falls CVB

- Teri welcomed the board to Sioux Falls.
- All of South Dakota comes together and promotes the whole state.
- She thanked the board for helping make all of South Dakota better.
- Our new Mayor Paul Ten Haken is so supportive of the Sioux Falls CVB and it is very important to all of us.
- Hope you all enjoyed the tour yesterday. The whole town is growing and the momentum is there.
- Numbers for June are down a bit.
- Levitt at the Falls and the Arc of Dreams are keeping Sioux Falls rolling and keeping the events coming.

Vice President Wagner asked that each board member give report from their area.

Tom Biegler

- South Dakota needs to have people come here to get what someone else cannot offer them
- South Dakota is suffering due to the ag economy. We will have to see how that affects tourism's numbers.
- Regency has had a pretty decent spring and summer.
- South Dakota has a phenomenal Tourism staff. They are such an energizing group.

Frank Smith

- This year South Dakota has a lot going on with all flooding.
- His area reaped benefits of good fishing.
- Was nice this summer that campers can have fire pits and fireworks because of all the rain.
- See big broods of pheasants so optimistic for pheasant hunting this Fall.

Val Rausch

- Val is honored to be appointed to the Governor's Tourism Advisory Board.
- He hopes to bring the small town view and feel to the Board.

Julie Ranum

- Sioux Falls has so much to offer and makes people feel so welcome.
- The Information Center staff are doing a great job of letting guests know about places off the path. They are getting a lot of referrals at the Redlin Art Center.
- Seeing a lot of RVers in Watertown and guests on vacation with no time limits and not in a hurry. Saw guests from Maine, New Hampshire, North Dakota and Portugal in a 30 minute span.
- What you are doing is working.
- Redlin Art Center numbers and sales are up. Rainy days have been good for the Redlin Art Center.
- Watertown itself is doing well and the new My Place Hotel is open.

- New restaurant on Lake Kampeska is open called North Shore. Great place to eat when you visit Watertown.

John Brockelsby

- Arc of Dreams was such a great idea.
- Reptile Gardens down 4.8 percent in June and 2.8 percent in July,
- July 4-6 were the biggest days ever at Reptile Gardens.
- Lots of guests coming to see the three new giant tortoises.
- Attended meeting of Badlands National Park group and they have 23,000 acre buffalo range opening.

Carmen Schramm

- It has been a tough year so far in Yankton area because of the flooding.
- Fam tours in area have increased interest in the Yankton area.
- World Bow Hunters will be in Yankton in October.
- The Meade Cultural center is now open.
- The Meridian Art Project is doing great.
- They see the Mount Marty Fieldhouse as a major opportunity to help them get more visitors to Yankton.

Ann Lesch

- Weather matters and people plan their days around it.
- We will have a down year at the Homestead. Both June and July numbers are down.
- Gift shop numbers were strong.
- Pageant numbers are down.
- Camping is strong with this being the 2nd best year. Many guests are coming 2, 3 or 4 nights.
- Memorial Society has self-guided tour which has helped a lot so getting more visitors because they do not have to wait.
- National Jr. High Rodeo in Huron brought in lots of people.
- Despite the flooding, Lake Thompson has been busy.

Ted Hustead

- Loved the tour of Sioux Falls and seeing the urban tourism was very impressive.
- Wall Drug numbers were up 9% in May with a lot of high-end sales.
- Gift shop sales are up at Wall Drug and Badlands National Park.
- Black Hills Harley said sales are steady this year but high-end sales are off the chart.
- They sold 75 motorcycles in one day and was the most sold in one day in nation.
- Motorcycle group is strong. Lookout for 80th!

Kristi Wagner

- Redfield is working on Pheasantennial on October 30 to include a hunt, train ride, etc.

- Faulkton has seen benefits from Katlyn's hosting of journalists for murals.
- Webinar on BBB with Kirk and Jacey was very good.

Don South

- Don gave updates for the Visitor Industry Alliance and a quick recap of participating in Destination Capitol Hill last April.

Dan Letellier, Sioux Falls Airport

- Dan gave updates on remodeling and expansion of the Sioux Falls airport and plans for their future.

Katlyn Richter - Global Media and Public Relations Updates

Media Outreach Efforts

- Will be attending the UK Media Event in conjunction with Brand USA Travel Week in early September.
- Will be attending Midwest Travel Journalist Association fall meeting in Wichita.
- Will be attending International Media Marketplace in NYC in January.
- Media blitzes will be in NYC, Los Angeles and San Francisco early 2020.

Press Trips

- The Arts and Sculpture press trip in early summer 2019 was a big success. Focusing on art and being able to visit communities across the state set us up for success. Many articles already published in our target regions and more to come.
- Hosted 3 journalists for the Sturgis Motorcycle Rally.
- Upcoming Buffalo Roundup press trip will have at least 13 journalists on the trip.
- Proposing a Mickelson Trail themed press trip for 2020.

Earned Media Numbers

- Overall domestic numbers are doing well. Number of clips and impressions are down slightly from last fiscal year but ad value is up. This is showing that we are attracting attention from higher end publications.
- International media numbers are something that our team needs to continue to focus on bolstering. We'll be looking at some new tactics for this fiscal year and putting a team member's attention on this.

Social Media

- Summer 2019 posts went well with a series of special content focusing on topics like Mother's Day, Father's Day, Fourth of July, National Ice Cream Day, etc. The team was able to produce a fireworks web guide and will be focusing on more web guides for the shoulder season ahead.
- The "To Each Their Road" campaign is wrapping up and we found great success in obtaining a diverse set of content for the team's use including written content and visual. Total impressions are above 14 million.

- Fall 2019 campaign will be “State of Create” which will bring in a few art influencers to the state and pair them with local artists. The team is in the midst of securing out of state influencers and contacting local artists to gauge interest.

Mike Gusiaas - Global Marketing and Brand Strategy Updates

- Peak Updates – excited going into the season for the new markets added due to our advanced audience targeting, our updated creative and new jingle, and the launches of both the new Community Co-op advertising program and the new TravelSouthDakota.com.
- Peak Activation – held in Denver at the Day of Rock event on the 16th St. Mall on 5/25. Our setup included our 30x26 scale-model Mount Rushmore, rock-themed merchandise tent w/ giveaways, free Thomas Jefferson-recipe ice cream and photo opportunities w/ the Rushmore mascots. Day of Rock event saw nearly 1 million and estimated engagement at SD Tourism was estimated to be nearly 10,000.
- Incremental Efforts added in July and running through August to combat dips caused by a struggling ag economy and the terrible weather that’s caused flooding in key markets from March and into August. Added effort focused highly inspirational placements on TV and radio in Minneapolis, Chicago, Denver, Milwaukee and Kansas City, paired w/ an Expedia conversion program.
- Hunting efforts launched in August and include a new :30 spot playing nationally on the Outdoors and Sportsmans Channel with two, 3-week flights.
2020 Vacation Guide – efforts underway with plans to have guide to printers by Dec. 6. Met w/ directors from the four regions to discuss how to rebrand sales materials to emphasize the both the strength of the print guide and it’s various circulation outlets, plus growing number of online sessions for the e-version.

Kirk Hulstein - Industry Outreach, Development and Research Updates

- The Dashboard is showing growth in visitation and visitor spending so far CYTD. We have had some questions about some of our indicators since we know that many of the smaller Black Hills communities are showing some decreases in BBB revenue. The discrepancy is likely due to the level of hotel inventory and spending that takes place in areas like Sioux Falls and RC and those communities are a little more resilient to the impact of weather due to a stronger base of sports events, business travel and entertainment activities.
- We are now displaying all AirBnb, VRBO and Homeaway rentals in SD. Supply has outpaced Room Nights with shared rentals so far this year but both are growing at a fast pace.
- The US Travel Forecast and Oxford Economics are forecasting a slowing in the economy and travel demand through the rest of 2019. This is based on national figures and I expect a more aggressive decline for our key markets due to the ag economy.
- Consumer Sentiment is at an all time high which is surprising some economist given the many questions that tariffs and the potential for a recession in the next couple of years. Adam Sacks with Tourism Economics recently was quoted in Travel Weekly discussing an increased risk of a recession in 2020.

- While GDP and Personal Income is growing nationwide, there is an obvious slower trend of growth for almost all of our key target markets.
- We believe the flooding, commodity prices, late planting and potential trade war with China are having a stronger impact on the Soybean and Corn markets in our Key Target markets (MN, WI, IA, NE, IL, ND, MO, KS)
- Our Outreach team is fully staffed and they have been hitting the road hard since our last meeting.
- Kirk gave a quick update on our Tribal Tourism Meeting planned with George Washington University at the Wakpa Sica building on Aug 23.
- Our Homestead and Wilmot Welcome Centers are open and we've heard great reports from both travelers and industry members alike. We are really happy with how they turned out.

Cole Irwin - Global Travel and Trade Updates

IRU Recap, Spearfish, SD (Apr. 28- May 2nd)

- Over 40 International Tour Operators attended Trade Show in South Dakota.
- 2 Familiarization Tours with 20 participants.

IPW Anaheim, CA (June 1-5)

- 101 One-on-one Appointments with International Travel Trade.
- Hosted a GAW Reception with over 200 guests.
- Visit the USA Receptions (Germany, France, Australia, Nordic and the Netherlands).

Japan and South Korea Mission (Brand USA) (July 5-13).

- Tokyo, Japan and Seoul, South Korea.
- 40 one-on-one appointments with Travel Trade.
- Attended networking receptions throughout the week, during those events we were able to have one-on-one conversations on how we can get more South Dakota product in Tour Company catalogs and more exposure from Japanese and Korean media.
- Was able to give two 10 minute presentations about South Dakota to the entire group of attendees in Japan and Korea.

American Bus Association (2020) Omaha, NE (Jan 10-14, 2020)

- 17 SD suppliers attending with us.
- Sponsorship booth to highlight SD.

FY20 Tradeshows and Missions preview.

- Listed out all of the Tradeshows and Missions we will be attending this year
 - Trade Shows: Travel Week London, Active America China Receptive Edition, Ontario Motor Coach Association Marketplace, American Bus Association Marketplace, Go West Summit, International Roundup, Circle Wisconsin and IPW

- Missions: UK Mission, Nordic Mission, Italian Mission and French Mission

Product Audit Outline

- We see the need to do a complete audit of South Dakota product we have that works with receptive operators (attractions, hotels, tours). Along with that we will be doing an audit of what product tour companies currently offer in South Dakota.
- This will allow us to see what areas we need to push more and which are performing better.

Natasha Bothun - Tourism Conference Updates

Tourism Conference is January 21-23

- Tuesday Agenda
 - 9:30 – 10 am – Board Update
 - 10-11:30 – VIA Meeting
 - 1:30 – 3:30 – Tourism Day at the Capitol
 - 5:00 – 6:30 – Thank you Reception / Opening Rec.
- Sponsorship – thank you to those who have already sent in their sponsorships forms and if you have not, please consider helping us put on this highly acclaimed conference.

Hospitality Training

- The Department now offers 4 ways for industry partners to acquire hospitality training.
 - Online Hospitality Training
 - Hospitality Training Sessions at the Tourism Conference
 - Spring Hospitality Sessions
 - Department of Tourism conducted hospitality training sessions.

Webinars

- The next webinar is set for September 11.
- All past webinar sessions can be found on SDVisit.com.

Deputy Secretary Wanda Goodman – Project Updates

Strategic planning

- Handed out printed strategic plan booklets.
- Working to finalize FY20 team action steps, simplified them this year.

Mount Rushmore Fireworks

- Internal work group has begun meeting as necessary.
- Joint communications team has been assembled and is preparing to share appropriate messaging with various audiences as information is ready to be released.

Advocacy plans

- Will be further defining our efforts in FY20 as they pertain to advocacy and awareness of tourism.
- Efforts will be specific to four audiences – South Dakota residents, legislators, media and the tourism industry.

Family Travel Association Summit

- Being held in Custer State Park, Oct. 20-24.
- Pre-Summit press tour hosted by Black Hills & Badlands Tourism Association and Visit Rapid City.
- Post-Summit trade FAM hosted by the Department of Tourism.
- Thank you to the South Dakota partners who have registered to attend; will be important to have a nice SD contingent there to represent the state's offerings.

Regional Director Reports

Rosie Smith, Glacial Lakes and Prairies Tourism Association

- Slow start to the Travel Season with the long winter, record snow and high water levels and flooding.
- They are doing lots of outdoor marketing in her region this year.
- Fishing in Webster best June in the last three years.
- Brookings Downtown at Sundown and Watertown TNL events have seen increased attendance over last year.
- 2019 Regional Marketing Grants were awarded to 17 projects. Had six first time applicants.

Gary Keller, Southeast South Dakota Tourism Association

- Southeast SD Tourism needs a new website and need to rebrand the association.
- They have done an expansion at Palisades.
- The Chislic Festival had great numbers again this year. They made many improvements over last year.
- The Wine and Brew guide has been updated.
- Gary was happy they received Rooster Rush funds so going forward with funds granted to them.

Frank Smith for Karen Kern, SD Missouri River Tourism

- June and July were busy months in region and August looks good.
- Fishing has been good based on those stopping at the Oahe Visitor Center.
- Getting new booth presentation for 2020 season. Will attend sport shows in Council Bluffs, Pheasant Fest in Minneapolis, Wausau, Omaha and Minneapolis Northwest.
- Their annual meeting is scheduled for May 5, 2020 at the AmericInn in Chamberlain.

Hot Topics Discussion/Open Forum

None

Meeting adjourned